



# Southwestern Idaho News

ADA, ADAMS, BOISE, CANYON, ELMORE, GEM, OWYHEE, PAYETTE, VALLEY & WASHINGTON COUNTIES

## ECONOMIC TRENDS

December 2005's seasonally adjusted unemployment rate for the Boise-Nampa Metropolitan Statistical Area was 2.9 percent, four-tenths of a percent below November's rate of 3.3 percent and 1.1 percent below the 4.0 percent rate experienced in December 2004. Total employment was up from year-ago levels by more than 13,000 people while the labor force was up by over 10,000 people. Month-over-month, both the labor force and total employment declined. The robust construction industry was down slightly due to the onset of the winter months. Administrative, support and waste management jobs were down as well, largely due to many construction workers employed by local staffing agencies. As the seasonal decline in construction begins, workers employed through staffing agencies are often the first to be temporarily laid off. Retail trade picked up some of the slack with the last of the holiday hiring, and healthcare continued hiring in preparation for the busier winter season.

**Southwestern Idaho Table 2: December 2005 Seasonally Adjusted Labor Force Figures for Southwestern Idaho Counties**

	Civilian Labor Force	Number Unemployed	Percent Unemployed	Number Employed
Ada	187,481	4,897	2.6	182,585
Adams	1,864	160	8.6	1,703
Boise	3,679	141	3.8	3,537
Canyon	77,093	2,856	3.7	74,237
Elmore	10,548	396	3.8	10,152
Gem	7,443	250	3.4	7,192
Owyhee	5,376	81	1.5	5,295
Payette	10,343	678	6.6	9,666
Valley	4,285	195	4.6	4,090
Washington	5,061	205	4.0	4,856
Statewide	737,257	24,784	3.4	712,473

**Southwestern Idaho Table 1: Boise City-Nampa MSA Labor Force & Employment (Ada, Canyon, Boise, Gem and Owyhee counties)**

	Dec 2005*	Nov 2005	Dec 2004	% Change Last Month	% Change Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	281,000	282,400	270,400	-0.5	3.9
Unemployment	8,200	9,400	11,000	-12.8	-25.5
% of Labor Force Unemployed	2.9	3.3	4.0		
Total Employment	272,800	273,000	259,400	-0.1	5.2
<b>Unadjusted</b>					
Civilian Labor Force	281,400	281,900	269,400	-0.2	4.5
Unemployment	7,900	8,900	10,200	-11.2	-22.5
% of Labor Force Unemployed	2.8	3.2	3.8		
Total Employment	273,500	273,000	259,200	0.2	5.5
<b>JOBS BY PLACE OF WORK</b>					
Nonfarm Payroll Jobs**	258,200	257,700	247,300	0.2	4.4
<b>GOODS-PRODUCING INDUSTRIES</b>					
Natural Resources & Construction	20,300	20,400	18,100	-0.5	12.2
<b>Manufacturing</b>					
Durable Goods	22,800	22,700	23,100	0.4	-1.3
Wood Product Manufacturing	1,800	1,800	2,000	0.0	-10.0
Fabricated Metal Products Mfg.	1,400	1,400	1,400	0.0	0.0
Machinery Manufacturing	1,100	1,100	1,200	0.0	-8.3
Computer & Electronic Manufacturing	13,800	13,700	14,400	0.7	-4.2
Transportation Equipment Mfg.	1,900	1,900	1,900	0.0	0.0
Other Durable Goods	2,800	2,800	2,200	0.0	27.3
Nondurable Goods	6,000	6,000	6,600	0.0	-9.1
Food Manufacturing	4,200	4,300	4,800	-2.3	-12.5
Printing & Related Support Activities	700	600	700	16.7	0.0
Other Nondurable Goods	1,100	1,100	1,100	0.0	0.0
<b>SERVICE-PROVIDING INDUSTRIES</b>					
Trade, Transportation, & Utilities	209,100	208,600	199,500	0.2	4.8
Trade	42,400	42,100	41,800	0.7	1.4
Wholesale Trade	11,000	11,000	11,000	0.0	0.0
Wholesalers, Durable Goods	6,900	6,900	6,700	0.0	3.0
Wholesalers, Nondurable Goods	3,300	3,300	3,300	0.0	0.0
Retail Trade	31,400	31,100	30,800	1.0	1.9
Food & Beverage Stores	4,400	4,300	4,400	2.3	0.0
General Merchandise Stores	7,000	6,900	6,800	1.4	2.9
All Other Retail Trade	20,000	19,900	19,600	0.5	2.0
Transportation, Warehousing, & Utilities	7,000	6,900	7,000	1.4	0.0
Utilities	400	300	600	33.3	-33.3
Transportation & Warehousing	6,600	6,600	6,400	0.0	3.1
Information	4,900	4,900	4,700	0.0	4.3
Telecommunications	2,100	2,100	2,000	0.0	5.0
Financial Activities	13,700	13,600	12,800	0.7	7.0
Finance & Insurance	10,000	10,000	9,000	0.0	11.1
Real Estate & Rental & Leasing	3,700	3,600	3,800	2.8	-2.6
Professional & Business Services	37,600	37,800	35,800	-0.5	5.0
Professional, Scientific, & Technical	11,900	11,700	10,700	1.7	11.2
Management of Companies & Ent.	5,500	5,500	5,600	0.0	-1.8
Administrative & Support & Waste Mgmt.	20,200	20,600	19,500	-1.9	3.6
<b>Educational &amp; Health Services</b>					
Educational Services	31,900	31,700	30,600	0.6	4.2
Health Care & Social Assistance	2,800	2,800	2,600	0.0	7.7
Hospitals	29,100	28,900	28,000	0.7	3.9
Leisure & Hospitality	9,500	9,400	9,200	1.1	3.3
Arts, Entertainment, & Recreation	22,600	22,400	21,600	0.9	4.6
Accommodation & Food Services	3,100	3,000	2,700	3.3	14.8
Accommodation	19,500	19,400	18,900	0.5	3.2
Food Services & Drinking Places	2,200	2,300	2,100	-4.3	4.8
Other Services	17,300	17,100	16,800	1.2	3.0
Total Government	7,200	7,200	5,900	0.0	22.0
Federal Government	41,800	42,000	39,300	-0.5	6.4
State & Local Government	5,600	5,700	5,700	-1.8	-1.8
State Government	36,200	36,300	33,600	-0.3	7.7
State Government Education	14,300	14,400	13,300	-0.7	7.5
State Government Administration	5,600	5,800	4,700	-3.4	19.1
Local Government	8,700	8,600	8,600	1.2	1.2
Local Government Education	21,900	21,900	20,300	0.0	7.9
Local Government Administration	12,900	12,900	12,100	0.0	6.6
	9,000	9,000	8,200	0.0	9.8

\* Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Southwestern Idaho Table 1 shows a decline in the labor force and an increase in the number of total nonfarm jobs. The reason behind this is that nonfarm jobs does not include people who are self employed. The decline in the labor force in December is driven by small businesses with contract employees who have seasonal layoffs, mostly in the construction industry as things slow down during the winter.

The number of total nonfarm jobs in the Boise MSA increased by 500 in December to 258,200 a 0.2 percent increase from November and a 4.4 percent increase from December 2004. Over the year 10,900 new jobs were added in the five-county area — 9,600 of them were in service-providing industries. Construction added 2,200 jobs accounting for 20 percent of all new jobs created. Manufacturing continued its decline in December showing a loss of 900 jobs year-over-year. The majority occurred in food manufacturing as layoffs during the year set this industry back. Service-providing industries continued to add jobs as retail trade again led the way adding 300 more jobs for the holidays. The December 2005 civilian labor force and total employment figures for all ten counties in Southwest Idaho are shown in Treasure Valley Table 2 on page 14.

## AREA DEVELOPMENTS

### Boise MSA

- MotivePower, located in Boise, has recently landed another large contract for 28 new locomotives to be delivered to New York City Transit from 2007 to 2009. The contract is valued at \$93 million with an option for an additional \$29 million upon completion of 10 more locomotives.
- Boise State University set spring semester enrollment records in 2006. The university currently has 18,031 students enrolled — 12,827 are full time. In addition, the number of graduate students at Boise State increased by 23 percent.
- The Boise Airport experienced a 9.6 percent increase in passenger traffic departing Boise during 2005 compared to the national average of 2.5 percent. Total passengers using the Boise Airport for outbound flights in 2005 numbered 1,569,734, the first time since 2000 that the total had been above 1.5 million.
- Home sales in Ada and Canyon counties broke year-old records in 2005. Total home sales in Ada County increased 34 percent from 2004 to 2005. In actual numbers 12,222 homes were sold in 2005 compared to 9,123 homes sold in 2004. In Canyon County sales increased by 43 percent to

6,264 homes from 4,392 homes in 2004. Median home prices also increased substantially in the two counties, rising from \$162,990 to \$193,000 in Ada County, an increase of over 18 percent, and from \$107,000 to \$127,000 in Canyon County, also an increase of over 18 percent. Homes in the two counties took slightly longer to sell on average, increasing from 72 days on the market to 86 days in Ada County and an average of 93 days in Canyon County up from 91 days in 2004.

- Due to continued population growth in the Boise-Nampa area, predictions for the housing market in 2006 indicate another great year for the construction industry. Economists and real estate experts at the Franklin Building Supply Economic Forecast Forum have almost all predicted only a slight slowdown in the construction industry without drops in employment. In 2005, there were 10,300 new home starts in the area which rivals other major markets such as Kansas City and San Antonio. Although it is difficult to sustain the record-breaking pace of 2005, and even if a slight slowdown occurs, it will likely be another record year.
- Idaho Power Company added 16,737 accounts during 2005 bringing their total number of customers to 457,146. Of the new accounts, approximately 14,600 were residential accounts and 1,600 were commercial accounts.
- The Boise-Nampa metro area produced \$17.5 billion of the total \$43.6 billion Gross State Product in 2004, according to a recent study conducted by Global Insight and released by the U.S. Conference of Mayors. Since 1994 the area's dollar value share of the Gross State Product has nearly doubled, rising from nearly \$9 billion in 1994 to its current \$17.5 billion.
- The city of Greenleaf recently declared a six-month moratorium on subdivision and zoning applications so it can update its comprehensive plan and prepare to install a new sewer system. Greenleaf joins a growing list of southwestern Idaho cities that have enacted moratoriums on new development while attempting to get a handle on the rapid growth pace.
- Micron Technology was recently ranked in the top ten for the sixth straight year in the list of all firms acquiring the most patents. In 2005 Micron ranked sixth overall with over 1,500 new patents during the year. Hewlett Packard, which also has a significant presence in the area, was also

ranked in the top ten at third place with nearly 1,800 new patents granted during 2005. This is the fourth straight year Hewlett Packard has been on the top ten list.

#### Valley County

- The Valley County commissioners have hired a consultant to develop an economic development plan for the county which will include Adams County. The consultant and team members will be paid from a \$50,000 Rural Business Opportunity Grant awarded by the U.S. Department of Agriculture. The plan is scheduled to include McCall, Cascade, Donnelly, Council and New Meadows.
- Valley County commissioners are the first group in the Valley-Adams County area to vote for the creation of a local housing authority. The proposal must now be voted on by Adams County and cities in both Valley and Adams counties.
- Valley County issued 577 building permits in 2005, a slight decrease of 12 from 2004's total of 589, which was a record-breaking year.

#### Elmore County

- The Mountain Home Public Works Office will begin to accept bids for wastewater extension lines at the site of the new Marathon Cheese facility.
- During 2005, the city of Mountain Home issued 179 residential building permits, 135 for single family homes. Currently, 21 subdivisions in Mountain Home are in development; 16 have contractors working on site. With the construction of the Marathon Cheese facility underway and the opening set for September, construction for residential units is expected to increase as hundreds of jobs are added to the local economy over the next several years.

#### Adams County

- The cities of New Meadows and Council in Adams County, along with Donnelly in Valley County, have

recently been declared eligible for Section 515 construction loans, which are designed to be used in rural areas for multi-family housing projects for low income residents. Communities in 29 Idaho counties are eligible for these loans, and New Meadows and Council are the first cities in Adams County to qualify.

- Adams County commissioners recently voted to extend the moratorium on new subdivisions until April 10 so a thorough job on the revisions in land use ordinances and the county's comprehensive plan can be completed. The commission also said there had not been enough time to hold the necessary public hearings.
- Adams County issued 129 building permits during 2005, up from 113 in 2004. Eighty-five of the permits issued were for residential building activity for a value of \$18 million.

#### Payette County

- Ground was recently broken on the newest residential development in Fruitland. Syringa Springs subdivision is slated for 250 new home sites built over eight phases. The development will include a pool, pathways, parks and a decorative entryway to the residences.

#### Washington County

- The city of Cambridge recently received a \$15,000 planning grant from the Idaho Department of Environmental Quality that will be matched by \$15,000 from the city. The grant is for studying and developing the best way to reduce arsenic levels in one of the city's wells to comply with U.S. Environmental Protection Agency guidelines.

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